

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6656**

**BILL NUMBER:** SB 189

**NOTE PREPARED:** Apr 30, 2013

**BILL AMENDED:** Apr 26, 2013

**SUBJECT:** Performance Qualified Schools.

**FIRST AUTHOR:** Sen. Delph

**FIRST SPONSOR:** Rep. Huston

**BILL STATUS:** Enrolled

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State and Local

**Summary of Legislation:** This bill provides for the designation of performance qualified school districts and high schools so as to provide flexibility in administration and instruction to school corporations and high schools that are placed in the highest performance and improvement category or designation or, in the case of high schools, that receive a waiver from the State Board of Education.

The bill provides that a performance qualified school district or high school is exempt from certain education statutes, rules, and guidelines. It specifies the statutes, rules, and guidelines with which a performance qualified school district or high school must continue to comply.

**Effective Date:** Upon Passage; July1, 2013.

**Explanation of State Expenditures:** The Department of Education (DOE) would certify a high school or school district as a performance-qualified high school or school district if the high school or school district receives an A performance rating.

The State Board of Education is required to establish criteria by July 31, 2013, to be used to grant a performance-qualified high school waiver for high schools that did not receive an A performance rating. The bill requires the criteria to be submitted to the General Assembly no later than November 1, 2013. During the 2014 legislative session, the General Assembly could reject, modify, or codify the criteria developed by the State Board.

Depending on the number of school corporations and high schools that apply for performance-qualified status,

the DOE should be able to administer this program within its existing resources.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The bill could potentially reduce school administrative costs and program costs in school corporations certified as performance-qualified school districts or with high schools certified as performance-qualified high schools. The extent of these savings is unknown. For the 2011-12 school year, there were about 106 school districts and 158 high schools that received an A performance rating.

A performance-qualified school district or high school would be required to have 64,800 minutes of instruction for Grades 9 through 12. The districts or high schools would not be required to have at least 180 student instructional days per year. However, the total number of minutes of instructions provided in a school year may not be less than the greatest number of minutes provided during any one of the last five school years.

A school corporation certified as a performance-qualified school district or high school certified as a performance-qualified high school also would be exempt from the following statutes of Title 20 of the Indiana Code and rules and guidelines of the State Board of Education adopted under the statutes.

1. Provisions that do not apply to school corporations in general.
2. Programs administered by the state, except for educational service centers and annual performance reports.
3. School teachers, except for:
  - a. Teacher continuing education.
  - b. Hiring of transition to teacher participants; restrictions.
  - c. Transition to teacher participants; school corporation or subject area; transition to teaching permit.
  - d. Conviction of certain felonies; notice and hearing; permanent revocation of license; data base of school employees who have been reported.
  - e. Teacher contracts.
  - f. Cancellation of teacher contracts.
  - g. Contracts with school administrators.
  - h. Teacher salary and related payments.
  - i. Conditions of employment.
  - j. Staff performance evaluations.
4. Curriculum except for:
  - a. Patriotic commemorative observances.
  - b. Human sexuality instructional requirements.
  - c. Access to materials relating to personal analysis, evaluation, or survey of students; consent for participation.
  - d. Personal financial responsibility instruction.
5. Student standards, assessments, and performance, except for:
  - a. Graduation requirements.
  - b. Indiana Statewide Testing for Educational Progress (ISTEP).
  - c. Remediation.
6. High-Ability Students.
7. Career and Technical Education.

A school corporation certified as a performance-qualified school district or a high school certified as a performance-qualified high school would be subject to the following statutes in Title 20 of the Indiana Code and rules and guidelines of the State Board of Education adopted under the statutes.

1. Educational Service Centers.
2. School Corporation annual performance reports
3. Organization of school corporations.
4. School corporation general administrative provisions.
5. School transportation.
6. Teacher continuing education.
7. Hiring of transition to teacher participants; restrictions.
8. Transition to teacher participants; school corporation or subject area; transition to teaching permit.
9. Conviction of certain felonies; notice and hearing; permanent revocation of license; data base of school employees who have been reported.
10. Teacher contracts.
11. Cancellation of teacher contracts.
12. Contracts with school administrators.
13. Teacher salary and related payments.
14. Conditions of employment.
15. Collective bargaining for teachers.
16. Patriotic commemorative observances.
17. Human sexuality instructional requirements.
18. Access to materials relating to personal analysis, evaluation, or survey of students; consent for participation.
19. Personal financial responsibility instruction.
20. Accountability for school performance and improvement.
21. Accreditation, assessment, and remediation.
22. Students, general provisions.
23. Health and safety measures.
24. Special education.
25. Accounting and financial reporting procedures.
26. Government funds and accounts.
27. Extracurricular funds and accounts.
28. Allocation of expenditures to student instruction.
29. State tuition support.
30. Property tax levies.
31. General fund levies.
32. Levies other than general fund levies.
33. Related entities, holding companies, lease agreements.
34. Borrowing and bonds.
35. State management of common school funds; state advances and loans.
36. Homeless children and foster care children.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Education.

**Local Agencies Affected:** Local schools.

**Information Sources:**

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825.